
For deliberative purposes only

BRIDGE CONCEPTS

AGENCY TO AGENCY DISCUSSION



Interim BARCT Requirements – Background

- ※ U.S. EPA has commented as facilities transition out of RECLAIM there needs to be an interim BARCT requirement until implementation of BARCT requirements in applicable landing rules
- ※ Clean Air Act Section 110(l) prohibits the U.S. EPA from approving a revision to a SIP if the revision would interfere with any applicable requirement concerning attainment
 - ※ RECLAIM currently establishes BARCT in aggregate
- ※ Based on input from U.S. EPA, RECLAIM facilities cannot be transitioned out of RECLAIM until U.S. EPA approves Regulation XIII, Regulation XX, and landing rules
 - ※ Staff anticipates that three regulatory elements would be submitted to CARB 2022
 - ※ Approval into the SIP – expected 2024

Implementation of AB 617 BARCT Emission Limits

- ※ Staff is adopting/amending rules for all RECLAIM facilities to establish BARCT NO_x emission limits consistent with AB 617
- ※ BARCT implementation dates vary in landing rules
- ※ Many adopted/amended rules have final implementation dates of January 1, 2024
- ※ Some rules have implementation dates that are beyond January 1, 2024
 - ※ Some rules have implementation dates based on equipment age or will be effective upon burner or unit replacement – timeframe can be 15 to 35 years (PAR 1147, 1147.1, and 1147.2)
 - ※ Facilities with multiple projects or commitment to reduce beyond the BARCT limit have effective dates beyond 2024 (Rule 1110.2)
 - ※ Proposed Rule 1109.1 will have a two-phased implementation approach that will go out to 2032 and possibly longer depending on when a permit is issued
 - ※ Longer implementation time is needed due to the complexity of individual projects and the number of these projects that must be implemented

Options for Bridge Requirements

Option 1:
Retain
RECLAIM Until
Final
Implementation
of AB 617
BARCT
Requirements

Option 2:
Allow Facilities
to Exit
RECLAIM
Upon
Implementation
of AB 617
BARCT
Requirements

Option 3:
Establish
Interim Limits
and Allow
Facilities to Exit
RECLAIM after
Approval of
Three
Regulatory
Elements

Option 4:
After Approval
of Three
Regulatory
Elements,
Conduct
Annual
Assessment of
Mass
Emissions in
RECLAIM

Option 1: Retain RECLAIM Until Final Implementation of AB 617 BARCT Requirements

- ※ Initial Concept:
 - ※ All facilities will remain in RECLAIM until final implementation of the AB 617 BARCT requirements which could be as late as 2046
 - ※ The three regulatory elements would be approved by U.S. EPA
- ※ Initial Thoughts:
 - ※ Equity for facilities that have fully implemented BARCT requirements well before 2046
 - ※ The long timeframe may warrant a shave in RECLAIM
 - ※ Claims from industry for disproportionate impacts would not be temporary as staff has commented
 - ※ Implementation
 - ※ Do not need to establish interim limits
 - ※ All RTCs remain in RECLAIM
 - ※ Minimizes market impacts that would be attributed to changes to the universe and RTCs
 - ※ While in RECLAIM, facilities can use RECLAIM NSR
 - ※ Concerns about maintaining RECLAIM to 2046

Option 2: Allow Facilities to Exit RECLAIM Upon Implementation of AB 617 BARCT Requirements

- ※ Initial Concept:
 - ※ After the three regulatory elements are approved by U.S. EPA, then allow facilities that have implemented AB 617 BARCT requirements to exit RECLAIM
 - ※ Allocations would need to be adjusted as each facility exits RECLAIM
- ※ Initial Thoughts:
 - ※ More equitable for facilities that have fully implemented BARCT requirements
 - ※ Long term timeframe for last facilities in RECLAIM
 - ※ Claims from industry for disproportionate impacts would not be temporary as staff has commented
 - ※ Implementation
 - ※ Do not need to establish interim limits
 - ※ Will need to establish the amount of RTCs that would be removed from the market
 - ※ Potential market impacts that would be attributed to changes to the universe and RTCs
 - ※ While in RECLAIM, facilities can use RECLAIM NSR
 - ※ Concerns about maintaining RECLAIM to 2046

Option 3: Establish Interim Limits and Allow Facilities to Exit RECLAIM after Approval of Three Regulatory Elements

- ※ Initial Concept:
 - ※ After the three regulatory elements are approved by U.S. EPA allow facilities to exit RECLAIM
 - ※ Landing rules would establish interim limits
 - ※ Interim limits can be based on a NO_x concentration limit or mass emissions
 - ※ Interim limits would be to reflect current operating conditions until AB 617 emission limits are achieved
- ※ Initial Thoughts:
 - ※ Equitable to all facilities – facilities that have implemented BARCT will not required to stay in RECLAIM
 - ※ Claims from industry for disproportionate impacts would be temporary
 - ※ Implementation
 - ※ Need establish interim limits
 - ※ No need to establish the amount of RTCs that would be removed from the market
 - ※ No market impacts that would be attributed to changes to the universe and RTCs
 - ※ While in RECLAIM, facilities can use RECLAIM NSR
 - ※ No delay in transitioning facilities to command-and-control, beyond approval of three regulatory elements

Option 4: After Approval of Three Regulatory Elements, Conduct Annual Assessment of Mass Emissions in RECLAIM

- ※ Initial Concept:
 - ※ After the three regulatory elements are approved by U.S. EPA allow facilities to exit RECLAIM
 - ※ Each year, South Coast AQMD staff would compare actual emissions to the 14.5 tpd
 - ※ RECLAIM backstop would be command-and-control which would have already been established
 - ※ Option 4 can be combined with Option 3
- ※ Initial Thoughts:
 - ※ Equitable to all facilities – facilities that have implemented BARCT will not required to stay in RECLAIM
 - ※ Claims from industry for disproportionate impacts would be temporary
 - ※ Implementation
 - ※ Possibly, need establish interim limits
 - ※ No need to establish the amount of RTCs that would be removed from the market
 - ※ No market impacts that would be attributed to changes to the universe and RTCs
 - ※ While in RECLAIM, facilities can use RECLAIM NSR
 - ※ No delay in transitioning facilities to command-and-control, beyond approval of three regulatory elements